

Project Name	SA Article 3: Cowlitz Restoration and Recovery Fund CRR Implementation Strategy: 2023 Update
Date Proposal Summited	12/6/2022
Date of Requested Decision	1/3/2023
Requested By	Travis Nelson
Date of Decision¹	1/10/2023

¹ Decision will become final if committee members who were not present at this meeting do not oppose this proposed decision within 7 days

FTC Decision and Justification
Tacoma Power consulted with the FTC, and the FTC is in support of adopting the 2023 update to the CRR Implementation Strategy. The FTC will continue considering topics for future updates. FTC representation at the meeting included NOAA, WDFW, Trout Unlimited, Tacoma Power, and Ecology.

Proposed Decision for Consideration
Tacoma Power proposes adopting the 2023 update to the CRR Implementation Strategy (see attachment), replacing the interim update adopted in 2021. The current update restructures the document to more clearly describe the CRR Program, including Hatchery Associated Production (HAP) projects, and approach of parallel ground rounds for habitat and HAP projects.

Background
<p>The FTC approved the original CRR Implementation Strategy (2017 Strategy) in May 2017 (DD 2017-06). As described in that decision document, <i>“This document [CRR Strategy] provides a comprehensive strategy for utilizing the CRR funds to conduct habitat restoration projects that will benefit the recovery of listed species destined for the Cowlitz Basin upstream of the barrier dam.”</i> The 2017 Strategy provided general CRR program information and was largely focused on habitat restoration. It included the original approach to integrate habitat proposals into the LCFRB grant round. It acknowledged that Article 5 of the Settlement Agreement included general guidance for the potential to expend CRR funds on hatchery production and included initial guidance on HAP projects that would later be expanded in the HAP Guiding Principles document (approved October 2018). It also acknowledged that HAP projects would be evaluated separately using a different process.</p> <p>In 2021, the FTC approved an interim update to the Implementation Strategy specifically to support the including CRR habitat proposals in the 2022 LCFRB salmon recovery grant round (DD 2021-08). The approach was to do that with as few changes as possible and while also making some specific, necessary changes to bring the document up to date, including:</p> <ul style="list-style-type: none"> • Clarifying the FTC’s role in decision-making on all funding decisions • Updating descriptions of CRR accounting and funding cycles • Updating the habitat assessment section to reflect work completed to date

- Making the document broadly applicable to habitat and HAP projects
- Allowing for indirect costs
- Select edits for clarity, alignment, and corrections

The proposed 2023 update reflects a comprehensive revision to the Implementation Strategy and considers comments received from WDFW in 2021 for “the next revision”. The document was reorganized to more clearly describe the CRR program and its elements. Crosswalk tables for the reorganization and updates are provided below. Substantial changes or updates included:

- Replacing the general consideration for projects benefiting “lower basin listed salmon and steelhead having a high proportion of matching funds” with more flexibility around “projects directly benefiting” CRR priority populations and acknowledging that projects in or focused on lower basin populations will be evaluated based on their benefits to the priority populations
- Incorporating the HAP guiding principles (prepared by HAP subcommittee, originally distributed to the FTC in May 2022 with December edits to reflect input from the Lower Columbia Fish Recovery Board)
- Addressing parallel grant round processes at a high level
- Describing the HAP proposal review process

Crosswalk Tables

Content Reorganization:

Interim	Revised
Introduction	1. Introduction
Purpose	Strategy Purpose and Goals
Goals	Overview
Overview	2. CRR Fund
Fund structure	Fund Structure
Funding cycle	Funding Cycle
Habitat Proposal Review Process	3. Program Criteria and Priorities
HAP Proposal Review Process	Geography and Populations
Funding Decisions	Additional Eligibility Information
Matching Fund Requirements	Matching Funds
Priorities for Restoration Projects and Land Acquisition	Monitoring
Habitat Assessment	Habitat Assessment
Hatchery-Associated Production	4. Proposal Evaluation
Project Eligibility Criteria	Habitat Proposal
Monitoring	HAP Proposals
	Exceptions to Review Process
	Funding Decisions

Edits to content:

1. Introduction	Light edits. Added that the Implementation Plan established soliciting for / evaluating resource projects (e.g., grant round). Added update history.
Strategy Purpose and Goals	Revised per WDFW suggestions to clarify purpose and goals <i>of the strategy</i> , including moving up “building momentum” goal from fund structure section. HAP subgroup to follow up on WDFW suggestion for how recovery plan can support HAP projects (with LCFRB, outside of strategy)

Overview	Apply “activities leading to on the ground” and “priority species/geographic focus” to both habitat <i>and</i> HAP. Light edits for redundant content.
Habitat Assessment	Moved section up to provide background early in the document. Light edit to clarify that proposals for additional assessment come through the habitat grant round.
Hatchery-Associated Production Projects	Moved up the definition and settlement agreement background from HAP section later in the document (now HAP Proposal Review Process). The only change from May 2022 work product is to lead with HAP definition. The guiding principles remain in the proposal review section.
2. CRR Fund	
Fund Structure	Light edits to more broadly apply to HAP and flow with document reorganization.
Funding Cycle	Light edits to reference potential for exceptions to grant round process.
3. Program Criteria and Priorities	
Geography and Populations	Formerly “priorities for restoration projects and land acquisition”, edits to make broadly applicable to habitat <i>and</i> HAP. Edits to “priority list” to remove “lower basin listed salmon and steelhead with ...” but provide more flexibility in general around projects that benefit target species through direct or indirect benefit
Additional Eligibility Information	Renamed section. Light edits for clarity (nothing new), consolidated “monitoring for project performance...” from other sections (monitoring flagged elsewhere)
Matching Funds	No changes.
Monitoring	No changes, but flagged for future discussion.
4. Proposal Evaluation	Added introduction describing the parallel processes at a high level.
Habitat Proposal Review Process	Light edits to address that CRR processes are already addressed in CRR manuals that will be updated annually. Removed process figure (refer to LCFRB manual) Added paragraph on roles, updates, and FTC engagement during review.
HAP Proposal Review Process	Includes the revised guiding principles (to FTC in May 2022) with light edits to: correct to include fall chinook, returning HSRG consistency (LCFRB), and some clarity. Leads with high level process and roles (new). Ends with review process information and FTC engagement during review.
Exceptions to Review Process	New section moving content from Habitat Review and generalized to address both project types
Funding Decisions	Light change (Tacoma Public Utilities Board releases funds that are already dedicated).

Coordination Need

The 2023 update to the Implementation Strategy will need to be made available to potential project proponents and others, replacing previous versions. Tacoma Power and LCFRB CRR websites will be updated.

The Implementation Strategy will need to be updated as needed, but not necessarily annually. For each project type, detailed guidance consistent with and building upon the Implementation Strategy will be provided in manuals and other supporting information. Those documents will be updated each time a grant round is implemented and any updates will be summarized for the FTC. Grant rounds for both project types are anticipated in 2023.

Summary of Potential Changes

The 2023 update to the CRR Implementation Strategy will replace previous versions of the CRR Implementation Strategy. The current update has been reorganized to more clearly describe the CRR Program, including Hatchery Associated Production (HAP) projects, and approach of parallel ground rounds for habitat and HAP projects. In addition to edits for clarity and corrections, it includes substantial updates around benefits to target populations, incorporates updated HAP guiding principles, and addresses at a high level the approach of parallel grant rounds leading to a single FTC funding determination.